

and sure leadership on this issue; Mr. DINGELL got involved early, pulled the key players together and produced an excellent bill which will, in fact, protect patients once enacted. I want to say a special word of thanks to Representative GREG GANSKE, with whom I have been working closely for some time on the Patient Right to Know Act (H.R. 586) which would ban gag clauses from managed care plans. His power of persuasion over some of his Republican colleagues to join him in co-sponsoring the Patients' Bill of Rights Act will be very helpful in passing a managed care reform bill this year.

Representative GANSKE and I have been involved for quite some time in putting together a bill which would prohibit managed care plans from restricting the medical communications between doctors and patients based on what the plan did and did not cover. Our bill was based on a very simple premise: when you're a patient, What you don't know can hurt you. And our anti-gag clause bill, which now has 300 co-sponsors, is included in the Patients' Bill of Rights Act.

The Patients' Bill of rights Act expands on that principle. It says: What you don't know and don't have access to and aren't protected from can hurt you.

That's why the Patients' Bill of Rights Act makes it possible for people to have some choice of plans, access to specialty and emergency care, and direct access to OB/GYN care and services for women.

That's why the Patients' Bill of Rights Act makes it possible for patients to get more information about their health plans, and have greater faith that the confidentiality of their medical records will be protected.

And that's why the Patients' Bill of Rights Act recognizes that patients are also health care consumers and establishes strong consumer protection standards, internal and external grievance procedures, and measures which respect and protect the provider-patient relationship.

When President Clinton delivered his State of the Union speech on January 27—99 days ago—one of the single most sustained waves of applause followed the president's call to action for Congress: to pass a consumer bill of rights and responsibilities for America's patients. Well, tomorrow, we will hit Day 100 of total inaction. The American people are demanding that Congress fill their managed care reform prescription—the Republican leadership should fill that prescription with the Patients' Bill of Rights Act.

Once again, I'd like to thank Congressman DINGELL, Senator KENNEDY, our Leaders and all of my colleagues who are working so hard to move this legislation forward.

MEDICARE: THE NEED FOR ADMINISTRATIVE FUNDS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 6, 1998

Mr. STARK. Mr. Speaker, members constantly decry the problem of fraud, waste, and abuse in Medicare—and constantly underfund the agency that is responsible for administering Medicare.

It is Congressional hypocrisy at its height. No one should criticize the administration of

Medicare who does not support more resources for the beleaguered Health Care Financing Administration.

Following is an excellent article by Julie Rovner of the National Journal's Congress Daily, entitled Congress v. HCFA: Bureaucracy Bashing 101.

I would just add to Ms. Rovner's article that when HCFA sought \$16 million this spring it paid for it by offering to slash \$16 million from another Medicare-related account—but even that was denied by the micro-managing Congress.

Medicare beneficiaries should know who to blame when they are unable to get their questions answered from HCFA: it is the Congress that should be blamed.

[From the National Journal's Congress Daily, Apr. 23, 1998]

CONGRESS V. HCFA: BUREAUCRACY BASHING 101

(By Julie Rovner)

Frustrated politicians like to point out how hard it can be to please constituents who simultaneously demand contradictory things—like those voters who all at once want increased spending, tax cuts, and no new additions to the deficit. But sometimes, the politicians themselves behave just as inconsistently.

Take the Health Care Financing Administration, known—and almost universally derided—as HCFA (pronounced Hickfa). The HHS subunit that oversees Medicare, Medicaid, and, since last year, the new children's health insurance program, HCFA is the agency politicians most love to hate. In 1992, when he was running for president, candidate Clinton in his "Putting People First" manifesto vowed to "scrap [HCFA] and replace it with a health standards board made up of consumers, providers, business, labor and government."

In short, anybody except bureaucrats.

During the heated Medicare debate of 1995, Speaker Gingrich claimed he never meant to suggest Medicare would "wither on the vine" under the GOP's budget plan, merely HCFA.

But Congress' second favorite pastime, after beating up on HCFA, seems to be giving the agency even more work to do. Since 1990, three different bills have increased HCFA's responsibilities exponentially.

"It's the greatest workload in the history of the agency," said Harvard Professor Joseph Newhouse, vice chairman of the Medicare Payment Advisory Commission.

And it is not like HCFA was a sleepy bureaucratic backwater: Running Medicare and Medicaid already required it to supervise the healthcare programs that will serve nearly 75 million Americans in 1998 and cost the federal government \$300 billion in 1997, 18 percent of the entire federal budget.

HCFA's latest onslaught began in 1996, with passage of the Health Insurance Portability and Accountability Act. Not only did HIPAA give the agency broad new responsibility to root out fraud and abuse in Medicare (the accountability part), it also made HCFA the fallback enforcement agency for states that failed to pass their own laws to implement the portability part. As of now, that includes five states: Rhode Island, Massachusetts, Missouri, Michigan, and California.

Later that fall, Congress ordered HCFA to implement provisions tacked onto the VA-HUD appropriations bill barring "drive through" baby deliveries and requiring limited parity for mental health coverage.

But that was only an appetizer. Last year's Balanced Budget Act, according to HCFA Administrator Nancy-Ann Min DeParle, gave the agency about 300 new tasks.

In Medicare alone, the agency is expected to devise new payment systems for home health, hospital outpatient, and nursing home care; a new "risk adjuster" and new payment methodologies for managed care plans; and rules for new "provider-sponsored organizations." And that is not to mention devising how to inform Medicare's 39 million beneficiaries about a vast array of new "choices" available to them this fall.

At the same time, HCFA is responsible for approving each state's new children's health insurance program, and for helping states locate and enroll the millions of children eligible but not yet signed up for Medicaid.

With that much more to do, you might think Congress would also give HCFA more money to do it with. But it is so easy to bash the bureaucracy that the Senate could not resist striking HCFA's request for an additional \$16 million for FY98 during consideration of the supplemental appropriations bill last month.

HCFA officials said \$6 million of that request was to hire workers to enforce HIPAA in states that have yet to pass their own legislation. The states in question contain a total of 54 million citizens. "The work requires knowledge and expertise in the area of health insurance regulation at the state level," said the agency in its supplemental request. "The nature of this work is totally unlike that performed by HCFA's workforce."

But that plea fell on deaf ears. "Do we want to turn that much additional bureaucracy over to HCFA, that much more money, or can't they borrow some more of those employees that they now have who are probably reading through reports that are obsolete and maybe not doing so much good?" asked Senate Majority Whip Nickles on the floor March 25.

Evidently they can, according to the Senate. Members adopted Nickles' amendment to strip the funding from the bill after defeating, 51-49, an attempt by Senate Labor and Human Resources ranking member Edward Kennedy, D-Mass., to keep only half the money.

The result of all this, says former CBO Director Reischauer, is "setting HCFA up" for failure. "It's classic Congress," he said. "There's no way HCFA can accomplish the changes Congress has asked [it] to do. Then [Congress] will be back in two years having oversight hearings about how HCFA failed to do its job."

Mark your calendars now.

CONGRATULATIONS TO PRESIDENT LEE-TENG-HUI OF CHINA ON TAIWAN

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 6, 1998

Mr. McDERMOTT. Mr. Speaker, I would like to congratulate and extend my best wishes to President Lee Teng-hui and Vice President Lien Chin of the Republic of China on Taiwan on their second anniversary in office on May 20, 1998.

In the last few years, Taiwan has continued to prosper, having survived the latest financial crisis. As the world's fourteenth largest economic entity, Taiwan plays a significant part in global trade and Asian economies. Taiwan's per capita income of \$13,000 U.S. dollars, one of the highest in Asia, provides a rich market for U.S. consumer goods.